Small Purchase Rules Flow Chart

First check with your local independent procurement authority to determine adopted procurement rules

Most restrictive rules must be applied

There is a \$1,000 limit for an individual item that may be purchased: No quotes needed (Individual item Threshold)

There is a \$3,500 (federal regulation) limit for multiple items that may be purchased at the same time; whereas no single item may cost more than \$1,000. (Single procurement aggregate threshold)

There is a \$50,000 limit on what may be spent with one source during a given year. (Annual cumulative threshold)



For individual items costing more than \$1,000 up to \$50,000, informal quotes are needed (at least 3 quotes)

For purchases that exceed \$50,000, formal bidding must be used;

Invitation for Bid (IFB) or Request for Proposal (RFP)